



UTAH VALLEY UNIVERSITY

Policies and Procedures

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Proposed Policy Number and Title: 421 Property and Equipment		
Existing Policy Number and Title: 421 Property and Equipment		
Approval Process*		
<input checked="" type="checkbox"/> Regular	<input type="checkbox"/> Temporary Emergency	<input type="checkbox"/> Expedited
<input type="checkbox"/> New	<input type="checkbox"/> New	<input type="checkbox"/> New
<input checked="" type="checkbox"/> Revision	<input type="checkbox"/> Revision	<input type="checkbox"/> Revision
<input type="checkbox"/> Deletion	<input type="checkbox"/> Suspension	
	Anticipated Expiration Date:	
*See UVU Policy #101 <i>Policy Governing Policies</i> for process details.		

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Draft Number and Date: Stage 4

4

President's Council Sponsor: Val Peterson **Ext.** 8424

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Policy Steward: Ryan Lindstrom **Ext.** 8303

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POLICY APPROVAL PROCESS DATES	
Policy Drafting and Revision Entrance Date: <u>9/20/2012</u>	POST APPROVAL PROCESS Verify: <ul style="list-style-type: none"><input type="checkbox"/> Policy Number<input type="checkbox"/> Section<input type="checkbox"/> Title<input type="checkbox"/> BOT approval<input type="checkbox"/> Approval date<input type="checkbox"/> Effective date<input type="checkbox"/> Proper format of Policy Manual posting<input type="checkbox"/> TOPS Pipeline and Archives update
University Entities Review Entrance Date: <u>3/28/2013</u>	
University Community Review Entrance Date: <u>05/09/2013</u> Open Feedback: <u>05/09/2013</u> Close Feedback: <u>05/30/2013</u>	
Board of Trustees Review Entrance Date: <u>05/30/2013</u> Approval Date: _____	Policy Office personnel who verified and posted this policy to the University Policy Manual Name: _____ Date posted and verified: <u>MM/DD/YYYY</u>

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June 11, 2013



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POLICY TITLE	Property and Equipment	Policy Number	421
Section	Facilities, Operations, and Information Technology	Approval Date	May 08,2000
Responsible Office		Effective Date	May 08,2000

1.0 PURPOSE

2.0 REFERENCES

3.0 DEFINITIONS

4.0 POLICY

A. POLICY

The appropriate institution officer shall maintain a record and valuation of all permanent property belonging to the institution and ensure that such items of property and/or equipment are properly recorded and accounted for through accurate and complete inventory records that are consistent with state and institution policy.

B. REAL AND PERSONAL PROPERTY

1. *Definition of Real Property*

Land, buildings (including permanent attachments) and other improvements.

2. *Definition or Acquisition Value*

- If purchased, the invoice price less discounts plus freight and cartage in and installation costs.
- If fabricated by the department, the material, labor and installation costs.
- If a gift to the institution, its fair market value at time of acquisition plus freight and installation costs.
- If surplus property, its fair market value plus freight and installation costs.

3. *Definition of Personal Property*

Equipment (whether purchased, received as a gift, or on permanent loan from an agency



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of government), books, collections, etc. Personal property should be classified as equipment if the following criteria are met:

- a. The property has an acquisition value of at least \$5,000 per unit.
- b. The property is of a permanent character with an expected useful life of at least two years.
- c. The property has an identity that is not altered materially through age.

Real property shall be recorded on the financial record of the institution using the full costs of acquisition, including legal fees, architectural fees, etc. Personal property shall be recorded at full value at the time of purchase, gift, or permanent loan, including freight, applicable taxes, installation, etc.

C. DETERMINING EQUIPMENT TO BE INVENTORIED

1. All equipment of a permanent character, having a unit value of \$5,000 or more with a useful life of two years or more, including:

- a. Additional attachments for property already inventoried, and
- b. Expenditures which increase the value of the inventoried property and thereby prolong its life, shall be inventoried by the institution.

2. Items costing less than \$5,000 per unit shall be purchased with "current expense" funds and are not labeled; however, items which are sensitive to conversion to personal use such as audio-visual equipment, cameras, calculators, tape recorders, powered hand tools, etc., and such items as folding chairs, small tables, etc. shall be clearly engraved or stenciled to indicate UVU ownership. In addition, department administrators are asked to maintain memorandum lists of "sensitive" equipment within their own departments in order to maintain better control over such items. All computers will be inventoried with a UVU inventory number and maintained on a UVU inventory system.

D. LIBRARY BOOKS AND ART PIECES

1. Library books and museum and/or art pieces, regardless of cost, are classified as personal property and shall be included as part of the physical assets of the institution. Responsibility for establishing and maintaining inventory records of these assets rests with the appropriate department. Total additions or deletions during the year will be reported for inclusion in the financial statements of the institution.
2. An annual physical inventory of art and museum pieces shall be conducted and reported to the President of the institution.

E. LOAN AND TRANSFER OF PROPERTY AMONG DEPARTMENTS

1. Loans and transfers within the institution may be made only after notifying the appropriate administrator and completing the required transfer of loan papers.
2. A valuation shall be placed on the items to be transferred to assure financial consistency and items of a value of \$5,000 or more shall be subject to inventory and accounting procedures.

F. REMOVAL OF PROPERTY

1. *Policy*

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- a. The removal of property from the campus for any purpose whatsoever which is inconsistent with the recognized activities of the institution and its departments is prohibited.
- b. Obsolete and worn out property, including shop residue, scrap or surplus materials, and items destined for cannibalization shall be disposed of according to inventory and disposal procedures which follow and UVU Policy 246, Surplus Property.

2. Procedure

a. Disposal of Capital Equipment Bearing a UVU Inventory Number

1. Obtain an inventory transfer card from the property control officer.
2. Have the card signed by the appropriate administrator.
3. Return the card to the property control officer who will then make arrangements to either pick up or dispose of the property.

~~b. Disposal of Non-Inventoried Property~~

- ~~1. Send a memo to the property control officer indicating which property you want to dispose of.~~
- ~~2. The property control officer will then make arrangements to dispose of the property.~~

~~c. Disposal of Scrap and Shop Residue~~

- ~~1. All scrap and shop residue, no matter what the source, must be disposed of through the property control officer.~~
- ~~2. Scrap and shop residue includes, but is not limited to:~~
 - ~~a. scrap metal~~
 - ~~b. oil~~
 - ~~c. paper~~
 - ~~d. wood shavings and sawdust~~
- ~~3. The property control officer will develop contracts and methods for the sale of these items.~~

~~d. Disposal of Surplus Property~~

- ~~1. The property control officer will maintain a list of all surplus property.~~
- ~~2. A list of surplus property will be published periodically in the Communicator so that all departments will have the opportunity to acquire surplus property which could be of use to their departments.~~
 - ~~a. Prices for the surplus materials will be established by the property control officer and the departments involved.~~
 - ~~b. The purchase price will then be transferred to the selling department's budget from the buying department's budget.~~
- ~~3. All items not disposed of in this manner will then be sold through one of the following methods:~~



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- a. ~~Public Auction (which will be conducted according to established auction procedures).~~
- b. ~~Public advertisement.~~
- c. ~~Contracts established with scrap dealers.~~
- d. ~~Other means, as deemed appropriate by the property control officer and the director of purchasing.~~
- e. ~~Proceeds From Sale of Surplus Materials~~
1. ~~Sale of surplus materials which were purchased from general fund (state appropriated funds): 70% of sale proceeds will be reimbursed to surplus department's budget.~~
2. ~~Sale of surplus materials which were purchased from non-general funds: 90% of sale proceeds will be reimbursed to surplus department's budget.~~

G. LENDING EQUIPMENT

1. Employees demonstrating the ability to operate equipment safely and properly may request use of institution equipment for personal non-profit purposes.
2. Institution equipment borrowed for personal use by an employee may not be removed from institution grounds.
3. All equipment must be cleaned and returned in the same condition as when borrowed.
4. Equipment will not be let out which might place the institution in a liable or questionable position, i.e., backhoes, trucks, etc. This issue to be determined by department head responsible for equipment.
5. Some equipment will not be available for uses under this program.

H. CONTRACTORS

When outside contractors bid on institution work, it is assumed that they own or have access to the equipment necessary to complete the task. Therefore, institution equipment will not be available for use by contractors unless rental fees and other related issues are negotiated in advance and made part of the employment contract. (See Policy D-7.1, Outside Vendors/Contractors).

5.0 PROCEDURES

POLICY HISTORY		
Date of Last Action	Action Taken	Authorizing Entity

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